

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type: <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name: 19th District Court of Michigan - City of Dearborn, Michigan	County Wayne
Audit Date June 30, 2004	Opinion Date August 10, 2004	Date Accountant Report Submitted To State: December 29, 2004	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:


1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations.

You must check the applicable box for each item below:

- | | |
|---|---|
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements. |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act. |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91] or P.A. 55 of 1982, as amended [MCL 38.1132]) |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit. |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95). |

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Reports on individual federal assistance programs (program audits).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Single Audit Reports (ASLGU).	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Certified Public Accountant (Firm Name): Plante & Moran, PLLC			
Street Address 27400 Northwestern Hwy.	City Southfield	State Michigan	ZIP 48034
Accountant Signature 			

19th District Court of Michigan City of Dearborn

**Financial Report
with Additional Information
June 30, 2004**

19th District Court of Michigan City of Dearborn

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Independent Auditor's Report

To the Judges of the 19th District Court,
Honorable Mayor, and Members
of the City Council
Dearborn, Michigan

We have audited the statement of net assets of the 19th District Court of Michigan (a component unit of the City of Dearborn, Michigan) as of June 30, 2004. This financial statement is the responsibility of the 19th District Court of Michigan's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of net assets referred to above presents fairly, in all material respects, the financial position of the 19th District Court of Michigan as of June 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

The 19th District Court of Michigan has not presented the management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Plante & Moran, PLLC

August 10, 2004

19th District Court of Michigan City of Dearborn

Statement of Net Assets Fiduciary Funds June 30, 2004

	Depository Account	Trust Account	Total
Assets			
Cash (Note 2)	\$ 50,000	\$ 25,000	\$ 75,000
Deposits with City of Dearborn	<u>5,800</u>	<u>176,367</u>	<u>182,167</u>
Total assets	<u>\$ 55,800</u>	<u>\$ 201,367</u>	<u>\$ 257,167</u>
Liabilities			
Due to District Control Unit	\$ 55,800	\$ -	\$ 55,800
Bonds and other deposits	<u>-</u>	<u>201,367</u>	<u>201,367</u>
Total liabilities	<u>\$ 55,800</u>	<u>\$ 201,367</u>	<u>\$ 257,167</u>

19th District Court of Michigan City of Dearborn

Notes to Financial Statements June 30, 2004

Note 1 - Significant Accounting Policies

The funds of the 19th District Court of Michigan (the “District Court”) are Agency Funds. The financial activities of the funds are limited to collection of amounts that are subsequently returned or paid to third parties. The operations of the funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The District Court has been consolidated as a component unit in the financial statements of the City of Dearborn.

Note 2 - Cash

Deposits were reflected in the accounts of the bank (without recognition of checks written but not yet cleared or of deposits in transit) at \$183,555. Of that amount, \$100,000 was covered by federal depository insurance and \$83,555 was uninsured and uncollateralized.

Additional Information



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To the Judges of the 19th District Court,
Honorable Mayor, and Members
of the City Council
Dearborn, Michigan

We have audited the statement of net assets of the 19th District Court of Michigan as of June 30, 2004. Our audit was made for the purpose of forming an opinion on this financial statement taken as a whole. The additional information listed in the table of contents for the year ended June 30, 2004 is presented for the purpose of additional analysis and is not a required part of the financial statement of the 19th District Court of Michigan. This information has been subjected to the procedures applied in the audit of the financial statement and, in our opinion, is fairly stated in all material respects in relation to the financial statement taken as a whole.

Plante & Moran, PLLC

August 10, 2004



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19th District Court of Michigan City of Dearborn

Schedules of Cash Receipts and Disbursements Year Ended June 30, 2004

	Depository Account	Trust Account
Cash Balance - July 1, 2003	\$ 50,000	\$ 25,000
Receipts		
Fines and fees collected	4,290,320	-
Bonds and other deposits	<u>124,350</u>	<u>1,032,791</u>
Total receipts	4,414,670	1,032,791
Disbursements		
Transfers to:		
District Control Unit General Fund	3,047,785	-
State of Michigan	1,032,497	-
Wayne County	37,678	-
Secretary of State	132,740	-
Bonds, other deposit refunds, and witness fees	<u>163,970</u>	<u>1,032,791</u>
Total disbursements	<u>4,414,670</u>	<u>1,032,791</u>
Cash Balance - June 30, 2004	<u><u>\$ 50,000</u></u>	<u><u>\$ 25,000</u></u>